

# Climate Policy Update

May 7, 2024

Good afternoon!

This is Akin's newsletter on climate change policy and regulatory developments, providing information on major climate policy headlines from the past week and forthcoming climate-related events and hearings:

## National

- **[House Sets Vote on Energy Efficiency, Mining Bills](#)** (E&E News)

The House will hold votes on proposed bills that aim to reduce the Biden administration's efforts towards energy efficiency of home appliances and seek to grant mining companies greater flexibility in storing waste on public land.

- **[Senators Angle for Energy, Enviro Amendments in FAA Bill](#)** (E&E News)

The Federal Aviation Administration (FAA) reauthorization is one of the last must-pass bills this Congress, and without a clear decision about including amendments, senators are jockeying to get key priorities across the finish line including, fostering sustainable aviation fuel research and development (R&D), incentivizing nuclear energy development for clean energy projects and exempting certain semiconductor projects from stringent environmental reviews.

- **[Negotiators Unveil Text of Nuclear Energy Deal](#)** (E&E News)

After reaching a verbal agreement last month, lawmakers released "Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy (ADVANCE) Act of 2024," which is a combination of legislation put forth by the House Energy and Commerce and the Senate Environment and Public Works committees. Senators are angling to include this as an amendment in the must-pass FAA reauthorization the Senate is considering this week.

- **[Biden's Final EV Tax Credit Rules Please Automakers, Anger China Hawks](#)** (E&E News)

On Friday, May 3, the Biden administration finalized 30D electric vehicle (EV) tax credit rules expected to help American manufactures catch up to China. However, some members insist the rules leave open the opportunity for some Chinese companies to benefit from the tax incentives.

- **[Will Making Hydrogen 'Green' Depend on China?](#)** (E&E News)

While the Biden administration has prioritized securing the domestic supply chain to accelerate the hydrogen industry through the Inflation Reduction Act's (IRA) 45V hydrogen tax subsidies, China leads the world in producing electrolyzers, an essential technology for hydrogen development. Industry is closely watching for final guidance to determine "whether the tax credits will jump-start U.S. industry and curb China's influence."

- **Senators to Question State Department Environment Nominee** (*E&E News*)

The Senate Foreign Relations committee will hold a nomination hearing consider Ms. Kristen Sarri, of Maryland, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

## State and Local

- **Texas Enters Peak Season for Power Output and Emissions** (*Reuters*)

Texas is entering a four-month period of peak power generation where the Electric Reliability Council of Texas (ERCOT) is expected to manage roughly 30% more power compared to the first four months 2024. While Texas has expanded solar farms, natural gas and coal are the main fuel sources to ensure stable power generation for the grid.

- **State Lawmakers are Running out of Time to Reach a Budget Agreement** (*Virginia Public Radio*)

Senior leaders from the General Assembly's money committees are set to have a meeting with Governor Youngkin this week to come to an agreement on the budget. Delegate Mark Sickles hopes that the final version of the deal will include funding for the Regional Greenhouse Gas Initiative, although some Republicans consider this as a tax increase.

## International

- **US and China Enter New Phase in Climate Diplomacy** (*E&E News*)

Special Presidential Envoy for Climate John Podesta and his Chinese counterpart Liu Zhenmin will meet in Washington in early May as the two countries seek to navigate simmering tensions over "electric vehicles, renewable energy, battery production and critical mineral supply chains."

- **EU Probe into Chinese Electric Vehicles is 'Advancing,' Commission Says** (*Politico*)

In October 2023, Brussels initiated a competition probe in response to claims that China was providing massive state subsidies to its EVs, causing the prices to artificially deflate and harming European manufacturers. The Commission has until July 4, which is nine months after the start of the investigation, to introduce provisional measures like tariffs or quotas.

- **China's President Arrives in Europe to Reinvigorate Ties at a Time of Global Tensions** (*AP News*)

Chinese President Xi Jinping began a three-country tour of Europe on Sunday, amid concerns from European automakers that they are losing market share to subsidized Chinese electric vehicles and continued U.S.-China competition across critical industries.

- [US Must Support Critical Mineral Projects in Risky Nations, White House Adviser Says](#) (Reuters)

Amos Hochstein, the White House senior adviser for energy and investment, emphasized the importance of securing critical mineral supply chains in countries like the Democratic Republic of Congo and Zambia which will be crucial to meet the increasing global demand for clean energy components and power infrastructure, also necessary to support the growth of artificial intelligence (AI). Hochstein also admitted “government has a real role here of incentivizing private capital by taking more risk in this initial work.”

Check out below for key quotes, federal agency news, and a look at the week ahead in congressional hearings and think tank events:

## Quote of the Week

“The United States, the birthplace of the assembly line that revolutionized the automotive industry, has been the world leader in cutting-edge car manufacturing and technology for generations. But with this final rule for the consumer credit, their creation of loopholes in the commercial vehicle credit, and their EPA tailpipe rules, the Administration is effectively endorsing ‘Made in China.’”

-Senator Joe Manchin (D-WV) (*Politico* – [May 3](#))

## Congressional Hearings (May 6 - May 10, 2024)

### Senate

#### [The U.S. Environmental Protection Agency’s Proposed Fiscal Year 2025 Budget](#)

#### Senate Environment and Public Works

Wednesday, May 8, 10:00 AM ET

#### [Hearings to Examine Proposed Budget Estimates and Justification for Fiscal Year 2025 for the Department of the Interior](#)

#### Senate Appropriations

Wednesday, May 8, 10:30 AM ET

### House of Representatives

#### [EPA’s RMP Rule: Failures to Protect the American People and American Manufacturing](#)

#### House Energy and Commerce

Tuesday, May 7, 10:00 AM ET

#### [Ensuring Safety and Reliability: Examining the Reauthorization Needs of the Pipeline and Hazardous Materials Safety Administration](#)

#### House Transportation and Infrastructure

Tuesday, May 7, 10:15 AM ET

#### [Fiscal Year 2025 Member Day – Interior, Environment and Related Agencies](#)

#### House Appropriations

Thursday, May 9, 10:00 AM ET

## Federal Agency Climate News

### Department of Energy

[DOE Releases Final Interpretive Guidance on the Definition of Foreign Entity of Concern](#) (May 3)

### Environmental Protection Agency

[Biden-Harris Administration Announces Final Rule to Cut Methane Emissions, Strengthen and Update Greenhouse Gas Emissions Reporting for the Oil and Gas Sector](#) (May 6)

### Department of Treasury

[U.S. Department of the Treasury Releases Final Rules to Lower Consumer Costs, Continue U.S. Manufacturing Boom in Batteries and Clean Vehicles, Strengthen Energy Security](#) (May 3)

## Funding and Comment Opportunities

[Solar and Wind Interconnection for Future Transmission](#)

### Department of Energy

Close Date: June 28, 2024

[Advanced Manufacturing and Recycling Program](#)

### Department of Energy

Close Date: June 24, 2024

## D.C. Climate Events

[Coordinating Cybersecurity Risk Management with Hardware/Software Vendors](#)

### United States Energy Association

Thursday, May 9, 10:00 AM ET

[The Red Zone: Charting Paths to Resilience in the Climate-Conflict Nexus](#)

### Center for Strategic and International Studies

Wednesday, May 15, 8:30 AM ET

[The Strategic Value of Modern Grid Technologies](#)

### Center for Strategic and International Studies

Monday, May 13, 1:00 PM ET

[Charging Up EV Infrastructure Deployment and Clean Tech Supply Chains](#)

### Bipartisan Policy Center

Thursday, May 16, 9:00 AM ET

[Understanding the EPA's New Methane Waste Emissions Fee & Advanced Methane Leak Detection Technologies](#)

### United States Energy Association

Tuesday, May 14, 2:00 PM ET

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